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S E C R E T SECTION 01 OF 02 BAKU 000841

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TAGS: [PARM](#) [PBTS](#) [PGOV](#) [PREL](#) [KCFE](#) [RU](#) [AM](#) [AJ](#)  
SUBJECT: AZERBAIJANI CONSIDERING CFE MORATORIUM

REF: A. USOSCE 00272

[1](#)B. IIR 6 941 0074

Classified By: Charge Donald Lu for reasons 1.4 (b, c, d)

[1](#)1. (C) Summary. Recent events indicate that the GOAJ is considering suspending its implementation of the Conventional Armed Forces in Europe (CFE) Treaty. Deputy Foreign Minister Araz Azimov told Charge D'Affairs on July 5 that the GOAJ would seriously consider freezing implementation of the treaty if Russia takes this step first. Several factors appear to be shaping the GOAJ's approach toward this decision. First, the GOAJ sees the treaty as disadvantageous to its military position vis-a-vis Armenia. Second, the GOAJ is carefully taking its cues from a possible Russian decision to place a moratorium on Russia's compliance with the treaty; Baku sees opportunities and risks in a Russian decision to place its CFE commitments on ice. Finally, Azerbaijan seeks to keep in good standing with the West and understands that a decision to put a moratorium on its CFE commitments would create problems in the U.S.-Azerbaijani relationship. On balance, we believe the GOAJ will not freeze its CFE obligations unless Moscow takes this step first. End Summary.

BAKU WEIGHING PROS AND CONS OF SUSPENSION  
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[1](#)2. (C) Deputy Foreign Minister Araz Azimov told Charge on July 5 that the GOAJ would seriously consider freezing implementation of the Conventional Armed Forces in Europe (CFE) Treaty if Russia takes this step first. Azimov clarified that the Azerbaijani "force majeure" statement at the June 15 Extraordinary CFE conference did not/not signify that the GOAJ had ceased implementing the treaty. (NOTE: Per Ref A, the Azerbaijani representative at the Conference obliquely suggested that Azerbaijan may follow suit if Russia suspends implementation of the CFE. END NOTE.) Azimov noted, however, that he would personally advise President Aliyev to take this step if Russia does so.

[1](#)3. (C) Azimov argued that Azerbaijan historically has articulated its problems with the treaty. Azimov singled out Russian military assistance to Armenia and the continued occupation of NK and the other seven occupied provinces as the key sticking points for Azerbaijan. The GOAJ believes that much of Armenia's weaponry has illegally gone to NK and the occupied territories. Azimov also argued that it is unjust for Azerbaijan's CFE ceilings to be equal to Armenia and Georgia because Azerbaijan is larger than both states from a territorial and population perspective.

## GIVING NOTICE

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¶4. (S/NF) According to recent intelligence reporting, the Azerbaijani MFA and MoD have been considering declaring a moratorium on Azerbaijan's compliance with the CFE Treaty for the past several weeks. While the Azerbaijani representative's statement could be interpreted as a bluff, Azimov's clarification and other recent intelligence suggest the Azerbaijanis genuinely are considering suspending their compliance with CFE treaty obligations. On balance, we believe the Azerbaijanis have effectively given us advance notice of their policy direction if Russia suspends its implementation of the CFE treaty.

¶5. (C) While we lack specific numbers, Azerbaijan historically has exceeded its CFE Treaty-Limited equipment (TLE) ceilings. Azerbaijan's number of tanks and artillery pieces has traditionally been a particularly problematic issue. Per ref B, Azerbaijan exceeded the limits of the Tashkent agreement -- as part of the CFE process -- by 41 tanks and 58 artillery pieces.

## VARIABLES BEHIND A POTENTIAL MORATORIUM

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¶6. (C) There are several drivers shaping the GOAJ's approach to a potential suspension of its CFE treaty implementation. First, the GOAJ perceives that the CFE treaty limits its military capability vis-a-vis Armenia. During the last few years, Azerbaijan has increasingly sought to showcase its growing military budget, both as a negotiating tactic and to increase its deterrent posture toward Armenia. For example,

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President Aliyev, speaking at a June 22 military graduation ceremony, stated: "We do not want to solve this issue in a military way, but we have to be ready for this. Our policy is open. We are not hiding anything. We say - yes, we are loyal to the negotiations, but this has certain limits. These negotiations cannot last forever. . . It is necessary to clarify things within a short period of time to see where we are and where are going." (NOTE: The quotation is taken from ANS TV coverage of the speech. END NOTE.) Aliyev in the same speech emphasized the need to develop a multifaceted military, diplomatic, economic, and propaganda approach toward Armenia, according to Radio Free Europe's coverage of the speech.

¶7. (C) A corollary of this first factor is Azerbaijan's fear about the level of Russian military support to Armenia. Most recently, the GOAJ has expressed concern that Russian military units and equipment leaving Georgia are being sent to Armenia, thereby increasing the latter's military capabilities and, according to the GOAJ, leaving Armenia in violation of its own CFE obligations (ref B). This recent movement of Russian military equipment may in part be feeding the GOAJ's increased fears regarding its military position vis-a-vis Armenia. Azimov also told the Charge D'Affairs that if Russia declares a moratorium on its CFE obligations, this will considerably ease Moscow's ability to send arms to Armenia.

¶8. (C) Most educated Azerbaijanis are skeptical that the GOAJ would engage in a military operation to retake NK in the next several years. Most commentators argue that the GOAJ's rhetoric is largely intended for domestic consumption because President Aliyev's stance on NK is critical to maintaining his legitimacy with the Azerbaijani public. Analysts argue that over the next few years, the GOAJ has little interest in pursuing a military solution to the conflict because this strategy involves significant risks for a government that is traditionally risk adverse. Analysts noted that a war could risk Azerbaijan's energy infrastructure, fragile independence, and -- most importantly -- the current ruling

elite's positions. Most commentators acknowledge, however, that in the medium- to long-term, the potential for a military solution is rising. END NOTE.)

¶9. (C) Second, Azerbaijan appears concerned about Russia's threatened withdrawal from the treaty. Azerbaijan probably views a scenario in which Russia declares a moratorium on its CFE obligations as a mixed development. On the one hand, a Russian moratorium poses an increased military risk to Azerbaijan because Russia will be less constrained to limit its forces deployed in the Caucasus region. On the other hand, a Russian move away from the treaty would give the GOAJ plausible political cover to free itself from a treaty that it perceives as disadvantageous to Azerbaijan's military interests. While Azerbaijan currently is exceeding some of its TLE ceilings, an Azerbaijani moratorium on implementing the CFE treaty would strike a blow to the overall treaty regime, and give us less leverage in maintaining a military balance between Armenia and Azerbaijan.

¶10. (C) A third variable is the GOAJ's desire to be in good standing with the U.S. and European governments. The GOAJ understands that an Azerbaijani decision to scrap or put a moratorium on the treaty would have negative consequences for its relations with Western partners. The GOAJ likely is weighing how severe the blowback would be if Baku distanced itself from the treaty.

GOAJ PROBABLY IN WAIT AND SEE MODE

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¶11. (C) We judge the GOAJ would not declare a moratorium on the CFE treaty unless Russia took this step first. We believe the GOAJ is still weighing its options on the CFE. The GOAJ frequently states that time is on its side vis-a-vis the NK conflict. The GOAJ believes that it is growing economically and militarily more powerful, while Armenia increasingly is isolated. The GOAJ -- and Ilham Aliyev in particular -- also are generally cautious in their approach to foreign policy decisions.

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